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**REQUIREMENTS FOR STAKEHOLDER CONSULTATION FOR
CERTIFICATION BODIES OPERATING FOREST MANAGEMENT
CERTIFICATION (NATURAL FOREST) UNDER THE MALAYSIAN
TIMBER CERTIFICATION SCHEME**

Authority To Issue

**Director General
Department of Standards Malaysia**

**REQUIREMENTS FOR STAKEHOLDER CONSULTATION FOR CERTIFICATION
BODIES OPERATING FOREST MANAGEMENT CERTIFICATION (NATURAL
FOREST) UNDER THE MALAYSIAN TIMBER CERTIFICATION SCHEME**

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Section 1: Introduction

- 1.1 This document specifies the requirements for stakeholder consultation and shall be used for the purpose of accreditation of a certification body (CB) operating a natural forest management certification programme under the Malaysian Timber Certification Scheme (MTCS).
- 1.2 All CBs accredited by the Department of Standards Malaysia (STANDARDS MALAYSIA) shall comply with the requirements of this document.

Section 2: Purpose

- 2.1 The purpose of this document is to prescribe the methodology to ensure that the CB carries out a level of stakeholder consultation that is sufficient to provide an assurance that the requirements of the certification standard for natural forest management have been complied with by the Forest Management Unit (FMU).
- 2.2 One of the requirements stipulated in the certification standard for natural forest management used under the MTCS, the *Malaysian Criteria and Indicators for Forest Management Certification (Natural Forest) [MC&I(Natural Forest)]*, is for the CB undertaking the audit of the FMU to hold consultation with the relevant stakeholder groups to gauge the level of compliance of the FMU against the specific *Verifiers* stipulated in the MC&I(Natural Forest).
- 2.3 Stakeholder consultation is one of the means of verification of the *Verifiers* listed in the MC&I(Natural Forest). Both national and local stakeholders can provide relevant information as to the FMU's compliance with the requirements of the MC&I(Natural Forest) in terms of the environmental, social or economic aspects. These stakeholder

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groups may include national and local level government departments and agencies, forest concessionaires and non-government organisations (NGOs) involved, or having interest, in forest management, as well as representatives of local communities directly affected by the forest management and operations in the FMU audited by the CB.

- 2.4 The CB may not be able to identify every relevant stakeholder group concerned prior to or during the forest auditing process. This document is therefore aimed at ensuring that the CB carries out a level of stakeholder consultation that is sufficient to provide an assurance that the requirements of the MC&I(Natural Forest) have been complied with by the FMU. The document also provides more clarity to the CBs and stakeholder groups as to the nature and extent of stakeholder consultation required during the audit of the FMU against the MC&I(Natural Forest).

Section 3: General Requirements

- 3.1 The CB shall consult with a range of stakeholder groups which can provide relevant information as to an applicant's compliance with the environmental, social and economic requirements of the MC&I(Natural Forest).
- 3.2 Relevant information may include examples of alleged non-compliance, as well as confirmation of compliance with legal, social, environmental, technical and economic requirements stipulated in the MC&I(Natural Forest).
- 3.3 The CB shall develop and document its methodology for conducting stakeholder consultation.

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- 3.4 The methodology shall ensure that:-
- a) a range of stakeholder groups is consulted, appropriate to the scale and range of impacts of the FMU and the forest management practices being audited;
 - b) the stakeholder groups have the opportunity to present their points of view to the auditor(s) in confidence; and
 - c) the information and opinions given by the consulted stakeholder groups are substantiated with documented evidence and evaluated objectively.

Section 4: Identification of, and information for stakeholder groups prior to audit of the FMU

- 4.1 The CB shall have proper procedures to identify the stakeholder groups that are likely to have information relevant to the audit of the FMU for certification, and/or that may be able to put the CB in contact with other such stakeholder groups. The range and number of individuals and organisations (both government and non-government) to be contacted depend on the scale, intensity and complexity of the forest management system and its impacts on the FMU.
- 4.2 The CB shall aim to ensure that any stakeholder group that has information relevant to the compliance of the FMU with the requirements of the MC&I(Natural Forest) has the opportunity to bring such information to the attention of the CB, prior to the finalisation of the certification decision. In order to meet this requirement, it is therefore necessary that the identified stakeholder groups are contacted and have the opportunity to respond in Bahasa Malaysia or any other appropriate local language, in addition to the English Language.

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- 4.3 During the audit of the FMU, the stakeholder groups to be contacted directly by the CB shall include, amongst others:-
- a) State Forestry Department, if applicable;
 - b) Relevant government departments and agencies that are involved with respect to land and forestry matters at the national, regional or FMU level;
 - c) Statutory bodies with legal mandate over the FMU under audit;
 - d) NGOs that are active in respect of social or environmental aspects of forest management in and around the vicinity of the forests in the FMU to be audited, as appropriate;
 - e) Representatives of indigenous peoples and local communities that are staying in and around the vicinity of the forests in the FMU to be audited, as appropriate;
 - f) Labour organisations and forest workers unions; and
 - g) Contractors who provide services to the forest operations which include logging, forest inventory, silvicultural and rehabilitation work.
- 4.4 However, the CB should contact stakeholder groups at the scale of organisation most likely to have information relevant for the audit of the FMU concerned. In the case of large FMUs, this is likely to include organisations which operate at the national level and/or sub-national level in the vicinity of the forests to be evaluated. In the case of smaller FMUs, this may include only local organisations, interest groups or individuals.

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- 4.5 The CB shall inform the stakeholder groups identified in para 4.3 above at least one month before the start of the audit (for stage 2, surveillance or recertification) :-
- a) that an audit for forest management certification is due to take place;
 - b) the start date of the audit;
 - c) the name and location of the FMU, and the total forest area, to be audited;
 - d) how to acquire a copy of the certification standard;
 - e) that the CB is seeking the views and opinions of the stakeholder groups with regard to any forest management issue related to the FMU so as to determine the level of compliance of the FMU with the requirements of the certification standard;
 - f) how the stakeholder groups may contact the CB in confidence to let the CB know of their views and opinions;
 - g) that the CB's audit team will make arrangements to enable the stakeholder groups to meet with the team during the audit of the FMU concerned, if necessary;
 - h) of the existence of the CB's mechanisms for the resolution of complaints or disputes; and
 - i) that the source of any information provided will be confidential to the CB carrying out the audit of the FMU concerned. Any disclosure of the information provided shall be carried out with prior consent of the stakeholder group concerned.
- 4.6 The CB may employ various means to inform the stakeholder groups of the information as specified in para 4.5 above, in the language appropriate to the group or organisation being contacted. Such means may include the following:-

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- a) direct contacts by phone, letter or email ;
- b) website of the CB;
- c) notice published in the national, regional and/or local press where the audit of the FMU concerned is due to take place;
- d) local radio announcements;
- e) signage posted on notice boards in and around the FMU;
- f) announcements in village shops or local community halls; and
- g) announcements by the manager of the FMU concerned using existing and ongoing mechanisms for consultation between the FMU manager and local stakeholder groups.

Section 5: Consultation during the audit

5.1 Consultation shall be conducted to obtain direct and factual feedback or observations with regard to the compliance of the FMU concerned with the requirements of the certification standard. The CB shall carry out such consultation as part of the audit of the FMU concerned. The consultation shall include a sufficient variety and number of people affected by or involved in the management of the FMU concerned to evaluate the range of situations relevant to the certification standard. The stakeholder groups that need to be consulted are determined by the requirements of the certification standard. As guidance, the audit may require consultation with the stakeholder groups as listed in **Appendix I**.

5.2 Consultation with the stakeholder groups shall be carried out in confidence, if requested. Consultation can therefore be carried out without the presence of the manager and/or representatives of the FMU concerned.

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- 5.3 The consultation techniques employed shall be culturally appropriate to the stakeholder groups with whom the consultation is to take place. Some of these techniques may include:-
- (i) direct arrangements for individual or group meetings at the time of the audit;
 - (ii) individual or group meetings arranged through the help of a local interest group or organisation;
 - (iii) *ad-hoc* interviews with managers, employees, contractors, local communities and indigenous peoples during the field audit in the FMU concerned;
 - (iv) structured interviews by telephone at the time of the audit; and
 - (v) contact by mail or e-mail with a request for written views and comments to a predetermined set of specific questions.

Section 6: Evaluating the information received from consultation

- 6.1 Information provided by the stakeholder groups shall wherever possible be independently corroborated from a second source or be confirmed by the CB's auditors in the field during the audit process.
- 6.2 In all cases, information provided by the stakeholder groups before, during and after the conduct of audit shall be evaluated objectively to determine whether it constitutes evidence of a non-compliance with any of the requirements of the certification standard.
- 6.3 The comments and feedback received after the completion of the audit shall be evaluated by the CB to assess the significance of the issue(s) raised on the management of the FMU audited. The CB shall solicit a written feedback from the FMU concerned. If the issue raised is a minor non-compliance to the certification standard, it will be verified during

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next audit. However, if the issue raised constitutes a major non-compliance, a special audit shall be conducted by the CB within two (2) months.

Section 7: Records

- 7.1 The CB shall keep the following records for each audit carried out in the FMU concerned:-
- a) names and contact details of all the individuals and organisations consulted
 - b) notes about all the information received orally;
 - c) copies of all the correspondence and written comments received;
 - d) notes or other information showing how the information received was verified or corroborated; and
 - e) an explanation of the way in which the CB interpreted or took account of these comments in coming to a decision as to the FMU's compliance or non-compliance with the requirements of the certification standard.

Section 8: Reporting

- 8.1 The audit report for forest management certification of the FMU concerned shall include a comprehensive record of any evidence of compliance or non-compliance with the requirements of the certification standard.
- 8.2 The CB shall not identify individual stakeholders or stakeholder groups in the audit report without their prior and informed consent.

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- 8.3 The CB shall include in the audit report the information and comments received from, and concerns raised by, the individual stakeholders or stakeholder groups, together with the CB's response.
- 8.4 After six (6) months of the completion of the field audit of the FMU concerned, the CB shall make available to the stakeholder groups information on whether a *Certificate for Forest Management* was issued or not by the CB. In the event of a *Certificate* being issued, the CB shall inform the consulted stakeholder groups on how the concerns they had raised have been taken into consideration.

Section 9: Consultation during the surveillance audit of a certified FMU

- 9.1 The CB shall carry out stakeholder consultation as deemed necessary during the surveillance audit of the certified FMU to ensure continued compliance with the requirements of the certification standard. Such stakeholder consultation shall also be in accordance with the requirements as specified in this document.

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Appendix I

EXAMPLES OF STAKEHOLDER GROUPS

The following list provides examples of some of the stakeholder groups that may need to be consulted to evaluate compliance with specific aspects of the certification standard for natural forest management under the MTCS. This is not a complete list, nor is the CB required to consult with all the stakeholder groups listed here if this is not required to verify the applicable requirements.

Principle	Stakeholder groups typically consulted to evaluate compliance
Principle 1	State forestry department, statutory bodies, and other government departments and agencies with legal mandate over the FMU under audit.
Principle 2	State forestry department, forest concessionaires, other relevant government departments and agencies, representatives and members of local communities and indigenous peoples who have tenure and/or use rights in the FMU concerned.
Principle 3	Representatives and members of indigenous peoples who have tenure and/or use rights in the FMU concerned.
Principle 4	Employees, contractors and subcontractors and their representatives, labour organisations or unions of forestry sector workers; recreational related organizations, representatives of local communities directly affected by the forest management and harvesting operations in the FMU concerned.
Principle 5	State forestry department, forest concessionaires, users and processors of forest products (timber processing industry), representatives and members of local communities and indigenous peoples directly affected by the forest management and harvesting operations in the FMU concerned.
Principle 6	NGOs that are involved or have an interest in respect of environmental aspects of forest management in the FMU concerned. Government departments and agencies dealing with social and environmental aspects of forest management in the FMU concerned. Representatives of local communities directly affected by the forest management and harvesting operations in the FMU concerned.
Principle 7	Employees of the FMU manager and its contractors. NGOs that are

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	involved or have an interest in respect of environmental aspects of forest management in the FMU concerned.
Principle 8	Employees of the FMU manager. In the case of forest concessionaires, representatives of the supervising forestry authority.
Principle 9	NGOs that are involved or have an interest in respect of social or environmental aspects of forest management in the FMU concerned. Representatives and members of local communities and indigenous peoples directly affected by the forest management and harvesting operations in the FMU concerned.